



DELBERT HOSEMAN
Secretary of State

ECONOMIC IMPACT STATEMENT

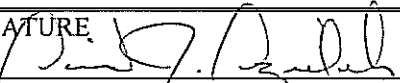
An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Agency is encouraged to use as much space as will adequately answer all questions. A PDF version of this executed Form must be filed with any proposed rule, if required by the aforementioned statute.

AGENCY NAME Division of Medicaid	CONTACT PERSON Kristi Plotner		TELEPHONE NUMBER 601-359-6698
ADDRESS 550 High Street, Suite 1000	CITY Jackson	STATE MS	ZIP 39201
EMAIL Kristi.Plotner@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Administrative Code Title 23: Medicaid Part 208 Home and Community Based Services, Long Term Care, Chapter 1: HCBS Elderly and Disabled Waiver		
Specific Legal Authority Authorizing the promulgation of Rule: MS Code § 43-13-121, MS Code 43-13-107		Reference to Rules repealed, amended or suspended by the Proposed Rule: Title 23, Part 208, Chapter 1: HCBS Elderly and Disabled Waiver	

1. Describe the need for the proposed action: Amendment to previously filed Admin Code.
2. Describe the benefits which will likely accrue as the result of the proposed action: The Division of Medicaid believes these regulations will be beneficial to the well-being of our waiver participants as well as provide instruction and guidance for waiver care providers. These regulations support the Elderly and Disabled Waiver which provides alternatives to institutional nursing facility care by providing waiver participants the ability to reside in their home and communities.
3. Describe the effect the proposed action will have on the public health, safety, and welfare: These regulations will enhance quality of care and improve the health, safety and welfare of waiver participants. These regulations will have a positive impact on the intervention and prevention of abuse, neglect and exploitation of waiver participants.
4. Estimate the cost to the agency and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues: The cost for waiver services for year 2013 is estimated at \$32, 139.00 per waiver participant with an average length of care of ten (10) months per year. Based on calculations of providing services to the maximum number of slots funded by the Mississippi Legislator of 16,800, the cost to implement this waiver is an estimated \$53,931,292 for FY 2013 and FY 2014.
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: Same as #4.

6. Provide an analysis of the impact of the proposed rule on small business: The changes in the Elderly and Disabled Waiver for FY 2013 include discontinuing the Escorted Transportation service in the previous waiver and replacing it with the provision of Non-Emergency Transportation Services which is a State Plan service. This will impact the small businesses providing this service and will save the Division of Medicaid approximately \$1,745,998 which is the approximate amount billed for this service in FY 2012. Reimbursement rates for case management, in-home respite, and home delivered meals were reduced to support more realistic costs of providing the services as compared to the previous waiver.
 - a. Identify and estimate the number of small businesses subject to the proposed regulation: Escorted Transportation Providers - 64 providers
 - b. Provide the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record: No impact on small business.
 - c. State the probable effect on impacted small businesses: Moderate financial effect on those providers affected by the service rate decrease.
 - d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis: None, implementing these regulations allows for the Division of Medicaid and the State of Mississippi to use the fiscal resources while providing high quality of care in the most efficient and effective means possible.
 - i. The establishment of less stringent compliance or reporting requirements for small businesses;
 - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
 - iii. The consolidation or simplification of compliance or reporting requirements for small businesses;
 - iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
 - v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations:
7. Compare the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule: The cost associated with the proposed rule is directly related to the ability to implement the Elderly and Disabled waiver to the fullest extent. The cost of implementing the waiver is a clear cost savings for the Division of Medicaid and the State of Mississippi as compared to caring for individuals in an institutional setting verses the home and community.
8. Determine whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law: There are no alternative or less costly methods.
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: There are no alternative or less costly methods.
10. State reasons for rejecting alternative methods that were described in #9 above: NA
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection: The data and methodology used in making these estimates is derived from the

information contained in the Elderly and Disabled Waiver which calculated the expenditures for each waiver participant receiving care through the waiver as compared to the costs for caring for the individual in an institutional setting. The average per capita Medicaid expenditures were compared with the average costs of the like resident residing in a long term care institution.

SIGNATURE 	TITLE Executive Director
DATE 10/24/12	PROPOSED EFFECTIVE DATE OF RULE January 1, 2013